




**FARMERS
BRANCH**

MEMORANDUM

FINANCE

TO: Mayor William P. Glancy and the
City Council

THRU: Gary D. Greer
City Manager

 **FROM:** Charles S. Cox
Director of Finance

DATE: January 11, 2012

SUBJECT: Quarterly Financial Report – December 2011

Attached are the December 2011 Revenue and Expenditure Reports. Revenues for this report include a column entitled "Expected as % of Budget Year-to-Date." This column, used primarily for revenues with budgets exceeding \$200,000, is used to more quickly identify revenue fluctuations based on a five-year historical trend.

The attached Pooled Cash and Investments report represents cash and investment totals by fund as of the end of December 2011.

CSC/sp

attachments

**GENERAL FUND
STATEMENT OF REVENUE
December 2011
(UNAUDITED)**

	ADOPTED BUDGET 2011-12	ACTUAL REVENUES Y-T-D 12/31/11	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<u>TAXES</u>					
PROPERTY - CURRENT	\$17,700,000	\$5,580,607	31.53%	20.00%	157.64%
PROPERTY - PRIOR YEAR	50,000	17,238	34.48%		
SALES & USE TAXES	11,800,000	3,160,764	26.79%	26.00%	103.02%
MIXED BEVERAGE	60,000	12,871	21.45%		
FRANCHISE FEES	4,568,000	998,152	21.85%	22.00%	99.32%
PENALTIES & INTEREST	150,000	14,418	9.61%		
SUB-TOTAL	<u>\$34,328,000</u>	<u>\$9,784,050</u>	<u>28.50%</u>	<u>22.00%</u>	<u>129.55%</u>
<u>LICENSES & PERMITS</u>					
HEALTH	\$45,000	\$10,400	23.11%		
BUILDING	353,000	121,573	34.44%	24.00%	143.50%
PLUMBING	55,000	19,348	35.18%		
ELECTRICAL	60,000	17,228	28.71%		
HVAC	40,000	15,107	37.77%		
MULTI-FAMILY INSPECTION	100,000	0	0.00%		
SUB-TOTAL	<u>\$653,000</u>	<u>\$183,656</u>	<u>28.12%</u>	<u>24.00%</u>	<u>117.19%</u>
<u>CHARGES FOR SERVICES</u>					
ZONING	\$16,500	\$6,590	39.94%		
PRINTING & DUPLICATING	16,500	2,223	13.47%		
POLICE SERVICES	112,000	13,051	11.65%		
AMBULANCE & 911 SERVICES	1,320,000	286,936	21.74%	26.00%	83.61%
REFUSE SERVICES	1,900,000	419,324	22.07%	18.00%	122.61%
HEALTH & INSPECTION FEE	30,000	10,991	36.64%		
ANIMAL CONTROL & SHELTER	28,200	9,010	31.95%		
SWIMMING POOL FEES	45,000	0	0.00%		
SENIOR CENTER FEES	44,000	9,993	22.71%		
PARKS & REC CONCESSIONS	175,000	30,016	17.15%		
BUILDING USE FEES	450,000	82,494	18.33%	25.00%	73.33%
EVENTS	100,000	4,250	4.25%		
SUB-TOTAL	<u>\$4,237,200</u>	<u>\$874,878</u>	<u>20.65%</u>	<u>22.00%</u>	<u>93.85%</u>
<u>FINES, FORFEITS & ASSESSMENTS</u>					
COURT	\$2,297,000	\$391,580	17.05%	22.00%	77.49%
LIBRARY	142,500	45,507	31.93%		
SUB-TOTAL	<u>\$2,439,500</u>	<u>\$437,087</u>	<u>17.92%</u>	<u>22.00%</u>	<u>81.44%</u>

GENERAL FUND
STATEMENT OF REVENUE
December 2011
(UNAUDITED)

	ADOPTED BUDGET 2011-12	ACTUAL REVENUES Y-T-D 12/31/11	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<u>INTEREST/RENTS/CONTRIBUTIONS</u>					
INTEREST	\$100,000	\$11,528	11.53%		
RENTS	448,000	164,657	36.75%	24.00%	153.14%
<i>SUB-TOTAL</i>	<u>\$548,000</u>	<u>\$176,185</u>	<u>32.15%</u>	<u>25.00%</u>	<u>128.60%</u>
<u>MISCELLANEOUS</u>					
MISCELLANEOUS	\$85,900	\$9,488	11.05%		
RECYCLING	10,000	566	5.66%		
SALE OF ASSETS	640,000	0	0.00%	0.00%	N/A
INSURANCE RECOVERY	21,500	1,142	5.31%		
<i>SUB-TOTAL</i>	<u>\$757,400</u>	<u>\$11,196</u>	<u>1.48%</u>	<u>25.00%</u>	<u>5.91%</u>
 GRAND TOTAL	 <u><u>\$42,963,100</u></u>	 <u><u>\$11,467,052</u></u>	 <u><u>26.69%</u></u>	 <u><u>23.00%</u></u>	 <u><u>116.05%</u></u>

PUBLIC UTILITY FUND
STATEMENT OF REVENUE
December 2011
(UNAUDITED)

	ADOPTED BUDGET 2011-12	ACTUAL REVENUES Y-T-D 12/31/11	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<u>INTEREST/RENTS/CONTRIBUTIONS</u>					
INTEREST	\$20,000	\$1,416	7.08%		
SUB-TOTAL	\$20,000	\$1,416	7.08%	27.00%	26.22%
<u>MISCELLANEOUS</u>					
RECONNECTS/SVC CHARGE	\$48,000	\$10,025	20.89%		
LATE FEES	160,000	50,247	31.40%		
MISCELLANEOUS	2,800	250	8.93%		
SUB-TOTAL	\$210,800	\$60,522	28.71%	25.00%	114.84%
<u>WATER/SEWER SALES</u>					
WATER SALES	\$10,615,000	\$2,804,896	26.42%	27.00%	97.87%
SEWER SERVICE	3,802,300	996,325	26.20%	26.00%	100.78%
ADDISON SEWER	18,000	4,839	26.88%		
BACKFLOW PROGRAM	25,000	4,515	18.06%		
TAPPING FEES	2,000	6,193	309.65%		
SUB-TOTAL	\$14,462,300	\$3,816,768	26.39%	25.00%	105.56%
 GRAND TOTAL	 \$14,693,100	 \$3,878,706	 26.40%	 26.00%	 101.53%

HOTEL/MOTEL FUND
STATEMENT OF REVENUE
December 2011
(UNAUDITED)

	ADOPTED BUDGET 2011-12	ACTUAL REVENUES Y-T-D 12/31/11	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<u>OTHER TAXES</u>					
HOTEL/MOTEL TAX	\$2,072,000	\$509,937	24.61%	26.00%	94.66%
<i>SUB-TOTAL</i>	<u>\$2,072,000</u>	<u>\$509,937</u>	<u>24.61%</u>	<u>26.00%</u>	<u>94.66%</u>
<u>INTEREST/RENTS/CONTRIBUTIONS</u>					
INTEREST & RENTS	\$35,000	\$1,014	2.90%		
<i>SUB-TOTAL</i>	<u>\$35,000</u>	<u>\$1,014</u>	<u>2.90%</u>	<u>25.00%</u>	<u>11.59%</u>
<u>SPECIAL REVENUES</u>					
MISCELLANEOUS	\$6,500	\$124	1.91%		
HISTORICAL PARK RENTALS	15,000	1,096	7.31%		
HISTORICAL PARK TEAS	5,300	0	0.00%		
EVENTS	0	7,789	0.00%		
<i>SUB-TOTAL</i>	<u>\$26,800</u>	<u>\$9,009</u>	<u>33.62%</u>	<u>25.00%</u>	<u>134.46%</u>
 GRAND TOTAL	 <u><u>\$2,133,800</u></u>	 <u><u>\$519,960</u></u>	 <u><u>24.37%</u></u>	 <u><u>26.00%</u></u>	 <u><u>93.72%</u></u>

GENERAL FUND
STATEMENT OF EXPENDITURES
December 2011
(UNAUDITED)

DIVISION	ADOPTED BUDGET 2011-12	ACTUAL EXPENDITURES AND ENCUMBRANCES 12/31/11	ACTUAL AS % OF BUDGET (Y-T-D)
GENERAL GOVERNMENT	\$128,500	\$28,464	22.15%
GENERAL CONTRACTS	213,500	213,500	100.00%
ADMINISTRATION	1,056,300	295,241	27.95%
LEGAL	770,400	312,386	40.55%
NON-DEPARTMENTAL	(2,391,300)	(605,490)	25.32%
COMMUNICATIONS	261,700	56,606	21.63%
ECONOMIC DEVELOPMENT	411,500	117,955	28.66%
HUMAN RESOURCES	562,800	119,252	21.19%
FINANCE ADMINISTRATION	670,900	200,596	29.90%
ACCOUNTING	538,700	128,381	23.83%
INFORMATION SERVICES	1,303,900	379,032	29.07%
PURCHASING	109,700	26,364	24.03%
COMMUNITY SERVICES ADMIN.	414,200	85,557	20.66%
BUILDING INSPECTION	931,300	213,141	22.89%
ENVIRONMENTAL HEALTH	855,800	209,813	24.52%
PUBLIC WORKS ADMINISTRATION	659,800	157,335	23.85%
SOLID WASTE COLLECTION	1,890,500	543,098	28.73%
STREET MAINTENANCE	3,269,000	1,143,202	34.97%
POLICE ADMINISTRATION	1,073,000	269,011	25.07%
POLICE INVESTIGATIONS	1,728,100	444,948	25.75%
POLICE PATROL	5,708,700	1,422,452	24.92%
POLICE DETENTION	1,049,600	245,274	23.37%
POLICE COMMUNICATIONS	1,762,200	602,504	34.19%
POLICE TRAINING	217,200	59,925	27.59%
MUNICIPAL COURT	493,800	116,368	23.57%
FIRE ADMINISTRATION	808,600	219,966	27.20%
FIRE PREVENTION	472,900	119,809	25.33%
FIRE OPERATIONS	7,928,200	1,989,181	25.09%
BUILDING MAINTENANCE	1,412,300	486,093	34.42%
PARKS & RECREATION ADMIN.	409,600	118,416	28.91%
PARK MAINTENANCE	4,186,400	1,069,374	25.54%
RECREATION	1,882,400	477,440	25.36%
SWIMMING POOL	237,900	8,449	3.55%
SENIOR CENTER	580,400	138,705	23.90%
PARK BOARD	4,800	406	8.46%
SENIOR ADVISORY BOARD	4,800	813	16.94%
CHRISTMAS	199,500	92,282	46.26%
LIBRARY	1,430,000	358,776	25.09%
GRAND TOTAL	\$43,247,600	\$11,864,625	27.43%

PUBLIC UTILITY FUND
STATEMENT OF EXPENDITURES
December 2011
(UNAUDITED)

DIVISION	ADOPTED BUDGET 2011-12	ACTUAL EXPENDITURES AND ENCUMBRANCES 12/31/11	ACTUAL AS % OF BUDGET (Y-T-D)
ADMINISTRATION	\$3,359,000	\$853,025	25.40%
OPERATIONS	<u>11,402,500</u>	<u>2,342,053</u>	<u>20.54%</u>
GRAND TOTAL	<u><u>\$14,761,500</u></u>	<u><u>\$3,195,078</u></u>	<u><u>21.64%</u></u>

HOTEL/MOTEL FUND
STATEMENT OF EXPENDITURES
December 2011
(UNAUDITED)

DIVISION	ADOPTED BUDGET 2011-12	ACTUAL EXPENDITURES AND ENCUMBRANCES 12/31/11	ACTUAL AS % OF BUDGET (Y-T-D)
HISTORICAL PRESERVATION	\$854,500	\$220,271	25.78%
PROMOTION OF TOURISM	907,000	455,292	50.20%
CONVENTION CENTER	<u>472,300</u>	<u>111,179</u>	<u>23.54%</u>
GRAND TOTAL	<u><u>\$2,233,800</u></u>	<u><u>\$786,742</u></u>	<u><u>35.22%</u></u>

**City of Farmers Branch
Portfolio Summary Report
Quarter ending 12/31/11**

This quarterly report is in full compliance with the City of Farmers Branch's investment strategy as established for operating and pooled funds and the Public Funds Investment Act (Chapter 2256). Beginning period information is as of September 30, 2011.

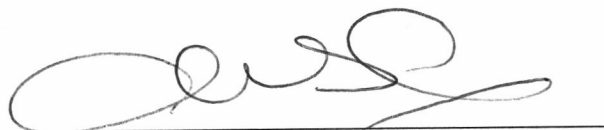
Beginning Book Value	\$39,101,996
Beginning Market Value	\$39,111,115
WAM ¹ at Beginning Date	138 days
Ending Book Value	\$36,952,319
Ending Market Value	\$36,943,737
Unrealized Gain/(Loss)	\$ (8,582)
WAM at Ending Date	116 days
Change in Market Value	\$(2,167,378) ²
Yield Calculated on Weighted Average of Total Portfolio's Average Daily Balance	.378%
Fiscal Year to Date Average Monthly Yield	.387%
116 Day T-Bill at Dec. 31, 2011	0.000%

¹ WAM = Weighted Average Maturity

² Change in market value is due primarily to cash flow changes or new investments and investment maturities during the period. Cash from maturing investments is either reinvested or used to pay the City's bills.

The City follows a policy of holding investments to maturity. This policy would prevent any unrealized loss (or gain) noted above from actually occurring.

Approved by:



Charles S. Cox
Director of Finance

**The City of Farmers Branch
Investment Portfolio
December 31, 2011**

Trade Date	Maturity Date	Rating	Type/ Broker Dealer	CUSIP	Weighted Average Maturity	Coupon	Yield	PAR Value	Purchase Principal	Market Value December-11	Current Book Value	Unrealized Gain/(Loss)	Accrued Interest Receivable	Percent of Total Portfolio
Feb-15-2011	Feb-15-2012	Aa1/AA+	Dallas, Tx GO Wells Fargo	2352185H3	1	5.000%	0.500%	390,000	407,484	392,106	392,185	(79)	6,500	1.06%
Feb-15-2011	Mar-01-2012	AA/AA+	Corpus Christi, Tx GO Wells Fargo	220112WC6	3	5.000%	0.550%	655,000	685,307	659,903	660,828	(925)	8,187	1.79%
Mar-29-2011	Mar-01-2012	MI G1/SP1	Louisville/Jefferson Mun-Rev Wells Fargo	546589QZ8	27	2.000%	0.700%	6,700,000	6,779,730	6,714,472	6,716,610	(2,138)	100,500	18.27%
Nov-02-2010	Apr-01-2012	AA	Connecticut St. G.O. BOSC/Bank of Tx	20772GGT9	4	5.000%	0.420%	675,000	718,531	682,749	683,962	(1,213)	5,625	1.84%
Nov-03-2011	Jul-01-2012	A+/AA2	Maricopa AZ UNIF Sch Dist Vining Sparks	567373un(3)	12	5.000%	0.371%	950,000	979,251	971,983	973,766	(1,783)	21,111	2.59%
Aug-17-2011	Aug-01-2012	AA/AA2	Rhode Island St - GO Vining Sparks	76222NGW5	6	5.000%	0.360%	435,000	454,236	446,732	447,022	(290)	8,044	1.19%
Nov-03-2011	Aug-01-2012	AA-	Berkeley CA UNIF Sch Dist Vining Sparks	084154TE(3)	6	4.000%	0.371%	450,000	462,218	457,871	460,181	(2,311)	6,750	1.23%
Sep-29-2011	Sep-01-2012	Aa2	Saline Cnty Sch Dist Wells Fargo	795168HK2	33	5.000%	0.251%	2,000,000	2,087,440	2,059,680	2,061,937	(2,257)	22,885	5.45%
Nov-23-2011	Dec-01-2012	Aa2/AA	Snohomish Cnty WA Wells Fargo	83308563	22	2.000%	0.300%	1,000,000	1,017,330	1,014,360	1,015,330	(970)	1,804	2.73%
Nov-03-2011	Apr-15-2013	Aa3	West Gen. NY Cntrl School Vining Sparks	952859HZ	14	3.000%	0.691%	455,000	470,188	468,887	468,848	39	2,401	1.24%
Nov-17-2011	Aug-15-2013	Aaa/AAA	Howard Cnty Md BOSC/Bank of Tx	4425653A3	58	5.000%	0.399%	1,395,000	1,506,461	1,499,751	1,498,499	1,252	7,275	3.80%
TOTAL MUNICIPAL OBLIGATIONS					186	3.381%	0.522%	15,105,000	15,568,173	15,368,493	15,379,170	(10,677)	191,083	41.19%
Feb-03-2011	Feb-02-2012		CDAR (1-yr) BOSC/Bank of Tx	1003743426	11	0.350%	0.350%	3,200,000	3,200,000	3,200,000	3,200,000	0	9,800	8.73%
Feb-17-2011	Feb-16-2012		CDAR (1-yr) BOSC/Bank of Tx	1003743426	8	0.400%	0.400%	1,700,000	1,700,000	1,700,000	1,700,000	0	5,950	4.64%
Jun-16-2011	Jun-14-2012		CDAR (1-yr) BOSC/Bank of Tx	1003743426	28	0.270%	0.270%	1,700,000	1,700,000	1,700,000	1,700,000	0	2,486	4.64%
Jul-21-2011	Jul-19-2012		CDAR (1-yr) BOSC/Bank of Tx	1003743426	68	0.270%	0.270%	3,400,000	3,400,000	3,400,000	3,400,000	0	4,208	9.27%
TOTAL CERTIFICATES of DEPOSITS					115	0.318%	0.318%	10,000,000	10,000,000	10,000,000	10,000,000	0	22,444	27.27%
Jan-06-2011	Jan-03-2012		FFCB Cantor Fitzgerald	31331J6S7	1	0.340%	0.334%	2,300,000	2,300,129	2,300,000	2,300,005	(5)	3,258	6.27%
Jan-06-2011	Jan-30-2012		FHLB Deutsche Bank	313370BJ6	15	0.650%	0.354%	3,500,000	3,511,025	3,501,400	3,500,459	941	9,479	9.54%
Oct-28-2010	May-18-2012		FHLB Morgan Keegan	3133XXPV3	23	1.125%	0.367%	1,175,000	1,188,806	1,179,430	1,178,270	1,160	1,101	3.20%
TOTAL AGENCY OBLIGATIONS					40	0.628%	0.350%	6,975,000	6,999,960	6,980,830	6,978,735	2,095	13,839	19.02%
Dec-31-2011	Dec-31-2011		Repo/BoA-Flexicash/TexPool		1	0.080%	0.080%	4,594,415	4,594,415	4,594,415	4,594,415	0	0	12.53%
TOTAL REPO AGREEMENTS (Collateralized)					1	0.080%	0.080%	4,594,415	4,594,415	4,594,415	4,594,415	0	0	12.53%
TOTAL INVESTMENTS						1.608%		36,674,415	37,162,548	36,943,737	36,952,319	(8,582)	227,366	100.00%

This Month's Yield Calculated on Weighted Average of Total Portfolio

Year to Date Average Monthly Yield through

116 Day T-Bill Dated As of December 31, 2011

Portfolio Weighted Average Maturity (WAM) in Days

Portfolio Market to Book Value Percentage Gain/Loss

All securities are recorded in a commingled pool entitled "Pooled Equity Fund".

For purposes of this report, all repurchase agreements are assumed to mature as of the reporting period end date.

Key: TB= US Treasury Bill, TN = US Treasury Note, FHLB = Federal Home Loan Bank Note, Repo = Repurchase Agreement, FFCB - Federal Farm Credit Bank Note, FNDN = Fannie Mae Discount Note, SLMA = Student Loan Marketing Association Note, FNMA = Fannie Mae Note, FHLMC = Freddie Mac, FAMCA = Farmer Mac Note

ALL INSTRUMENTS ARE HELD TO MATURITY

Director of Finance

Pooled Cash and Investments

Including Premiums/(Discounts)

December, 2011 (unaudited)



**FARMERS
BRANCH**

Cash and Investments

<u>Fund No.</u>	<u>Fund Name</u>	<u>Dec-31-2010</u>	<u>Oct-01-2011</u>	<u>Dec-31-2011</u>
General Fund:				
101	General	\$4,866,927	\$7,506,088	\$6,051,573
102	Payroll	573,748	729,630	669,884
103	Fixed Assets	342,007	801,866	491,065
105	Economic Development	0	1,120,123	1,221,655
Sub-Total		5,782,682	10,157,707	8,434,178
Special Revenue Fund:				
201	Hotel-Motel	890,789	697,540	652,614
202	Police Forfeitures	27,117	41,071	43,987
203	Special Revenue Donations	137,791	110,358	100,225
204	Dividend	0	0	0
205	Youth Scholarship	22,138	24,253	24,630
206	Grant	13,337	908	14,709
207	Building Security	179,354	198,010	168,721
208	LF Closure/Post Closure	7,637,191	7,069,602	6,926,004
209	Court Technology Fund	244,378	253,325	252,481
210	Local Law Enforcement Block Grant	0	0	0
211	Stars Center	1,090,643	959,244	1,023,275
212	Cemetery	126,902	114,753	107,099
213	Legal Defense	0	0	0
214	Photographic Light System	205,469	321,478	254,315
215	Dangerous Structures	3,037,589	2,483,251	2,370,623
216	PEG Access channel	0	6,737	20,686
217	Farmers Branch Local Gov. Corp.	0	40,683	40,683
222	Police Forfeitures - Federal	192,410	175,988	158,760
233	Fixed Assets	22,083	27,611	27,611
Sub-Total		13,827,190	12,524,812	12,186,424
Capital Fund:				
301	Non-Bond Capital Improvement Programs	1,606,080	201,584	170,164
302	DART	909,475	703,626	673,975
303	Hotel/Motel Capital Improvement	7,583	105,262	102,010
304	* PID Debt Service	0	0	0
305	Hotel/Motel Bond	0	0	0
306	Street Improvement/Animal Shelter	21,899	12,493	12,452
307	Fire Station	4,173,527	3,003,565	1,340,365
308	Dangerous Structures	0	0	0
313	Non-Bond Convention Center	0	0	0
318	Street Bond	0	0	0
321	Stars/Conference Cntr Bond	0	0	0
324	Drainage Bond	0	0	0
325	Water Bond	0	0	0
326	* Sewer Interceptor Bond	0	0	0
327	* Non-Bond Utility fund	6,447,457	6,107,095	6,231,738
328	TIF District #1	(86,999)	124	(20,377)
329	TIF District #2	95,034	163,045	212,286
Sub-Total		13,174,054	10,296,794	8,722,612
Debt Service Fund:				
401	Debt Service	1,523,144	1,716,911	2,200,890
402	Debt Service Convention Center	211,328	104,753	215,726
403	Stars Center	(170,216)	76,674	(283,478)
Sub-Total		1,564,256	1,898,338	2,133,138
Enterprise Fund:				
501	Water And Sewer	1,478,885	2,061,351	1,870,943
503	Fixed Assets	263,503	339,011	323,817
Sub-Total		1,742,388	2,400,362	2,194,760
Internal Service Fund:				
601	Internal Services	(5,969)	99,092	34,181
602	Worker's Comp	708,241	581,190	642,263
603	Fixed Assets	73,261	73,315	74,614
604	Health Claims	(22,404)	310,154	84,686
Sub-Total		753,129	1,063,750	835,744
GRAND TOTAL		\$36,843,699	\$38,341,763	\$34,506,856

* Reported in Enterprise Fund at year-end.